

June 19, 2007

FOR IMMEDIATE RELEASE

HERGERT GRAIN AGREES TO SURRENDER LICENSE, PAY FINE

LINCOLN – Hergert Grain, Inc., agreed today in a stipulation with the Nebraska Public Service Commission to surrender its license by August 31 and pay a fine of \$750 for issuing grain warehouse receipts in violation of Nebraska law. The Commission, in turn, lifted its suspension of Hergert Grain's warehouse license.

A complaint, which made charges that Hergert Grain issued grain warehouse receipts in violation of Nebraska law and did not have enough grain on hand to satisfy demand, was set aside by a unanimous vote of the Commission. The decision was based upon the stipulation and upon a showing by the company that the shortage of grain had been corrected.

John Fecht, Grain Warehouse Department director, reported that Hergert Grain had stipulated that it would pay a fine of \$750 set by the Commission in the case, conclude operations and surrender his license by August 31, accept no new grain in its state-licensed facility, report any transactions to the Commission within 24 hours, and maintain the company's security bond until the license is surrendered.

Fecht left immediately following the Commission's decision for a meeting with Hergert Grain president Dave Hergert in the Nebraska Panhandle. When Hergert Grain pays the fine, the Commission will unlock its padlocks on the warehouse facility. Title to grain stored in the facility will return to producers and others who had deposited grain at the warehouse. The Commission had taken title to the grain at the time the complaint was filed.

The Commission noted that two owners of grain at Hergert Grain had been paid to eliminate the problem with the grain receipts not being covered by the grain on hand. Nine other owners of grain are on the company's ownership list.

Fifth District Commissioner Jerry Vap of McCook said the Commission will call an emergency meeting to revoke Hergert's license if it does not comply with any portion of the stipulation.

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